



GREEN
CLIMATE
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GCF REGIONAL DIALOGUE

with AFRICA

Windhoek, Republic of Namibia
6–10 November 2023

#InspireMoreClimateAction



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FUND

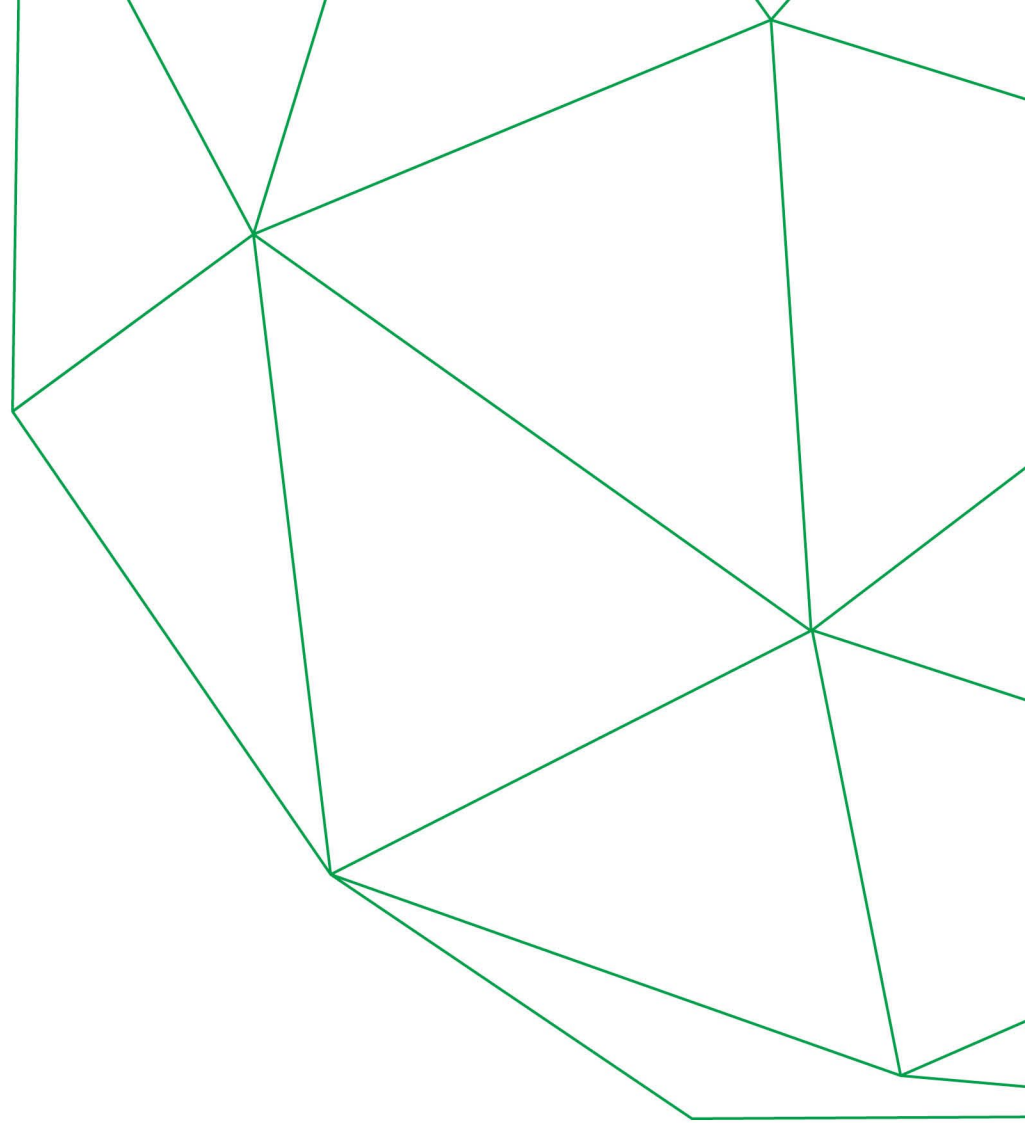
GCF REGIONAL DIALOGUE
with AFRICA

ADAPTIVE MANAGEMENT: CHALLENGES AND LESSONS FROM IMPLEMENTATION OF READINESS GRANTS IN AFRICA

Gladys Huchu, Portfolio Management Officer (Readiness)

Windhoek, Republic of Namibia
6–10 November 2023

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At the conclusion of this session, participants will:

- **Have increased awareness** of Africa's Readiness portfolio performance including results achieved and key challenges
- **Gain familiarity on the GCF's adaptive management process** when implementing GCF Readiness investments in Africa
- **Exchange best practices and experiences**, including lessons learned from implementation of GCF investments in Africa
- **Have increased awareness of GCF's strategic response** in boosting administrative/operational efficiencies in key business processes

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Source: @2023 Ghana Industrial Energy Efficiency Readiness, UNIDO (GHA-RS-004)

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OVERVIEW OF READINESS PORTFOLIO



802

*Approved
Grants*

\$586.67M

*Financial
Volume*

142

Countries

199

*Implementing
partners*

577

*Under
Implementation*

56

*In legal
processing*

145

*Expired
grants*

144

*Closed
grants*

AFRICA PORTFOLIO



256

*Approved
Grants*

\$189.18M

*Financial
Volume*

54

Countries

79

*Implementing
partners*

188

*Under
Implementation*

16

*In Legal
processing*

55

*Expired
grants*

41

*Closed
grants*

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Africa Readiness portfolio



60%
(112.6M)

Disbursement rate
by Amount

86%
(219)

Disbursements by
Number of Grants

41 (86%): Expired CR
overdue
8 (16%): CR yet to be
due

Expired
Grants Status

140 (55%)

Extended
Grants

2 times

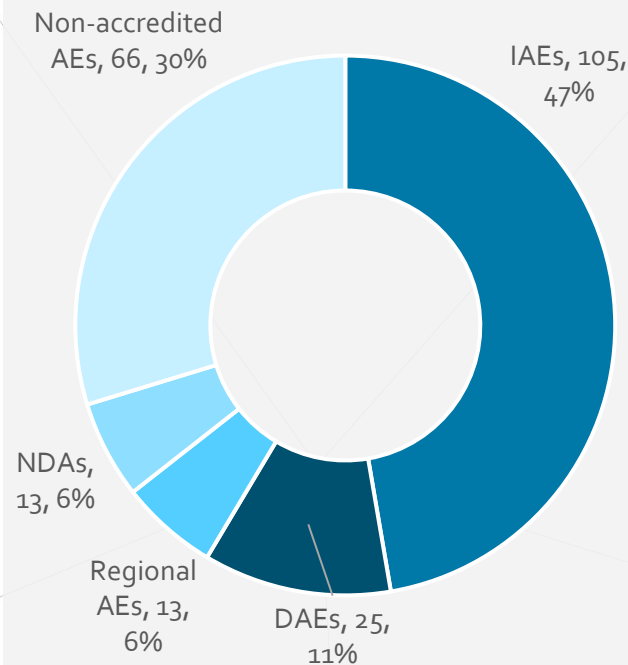
Number of
Extensions per grant

14

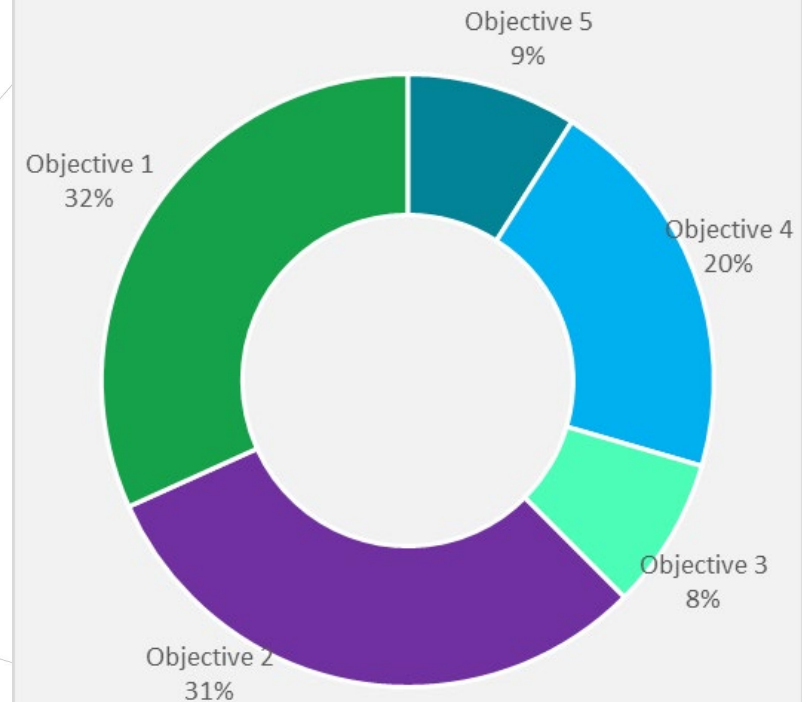
Average Extended
Duration (months)

As of 31 Oct. 2023

***Entity Type (Approved
portfolio)**



% of Grants by Objective

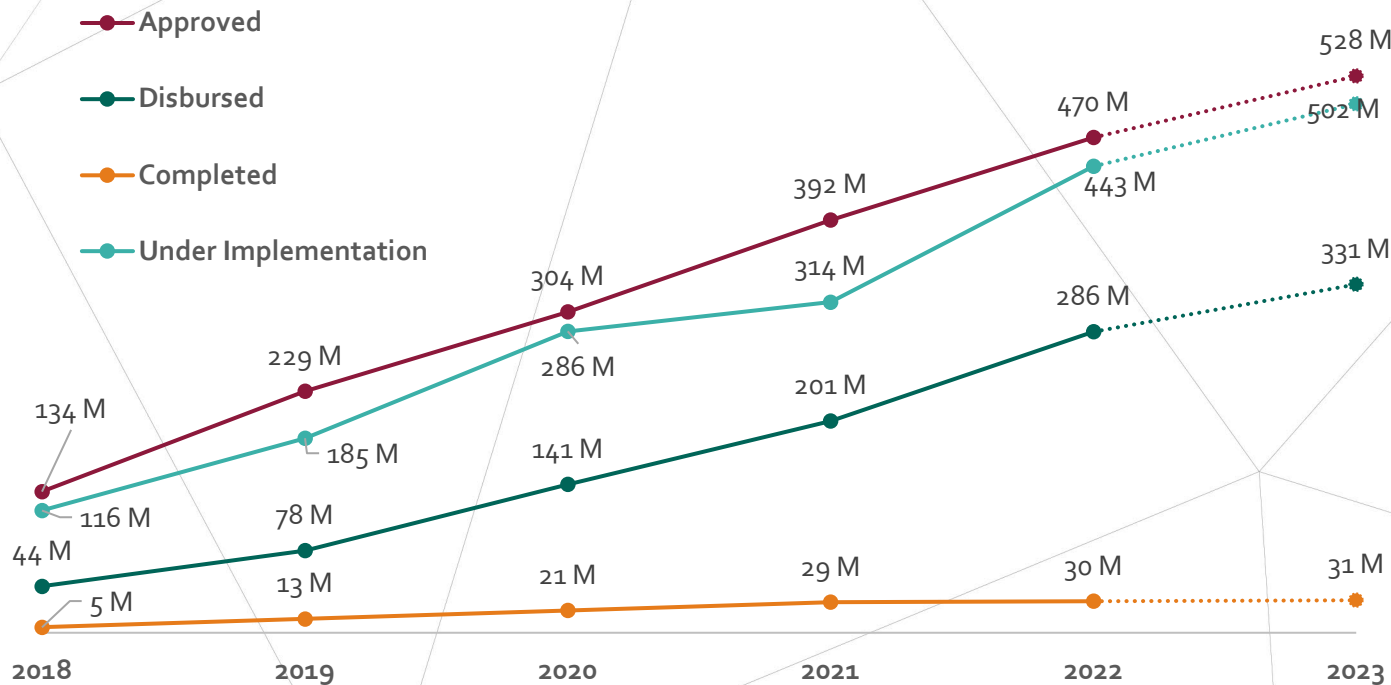


*Data rectification is currently in progress, and Entity Type figures may change

Readiness Programme

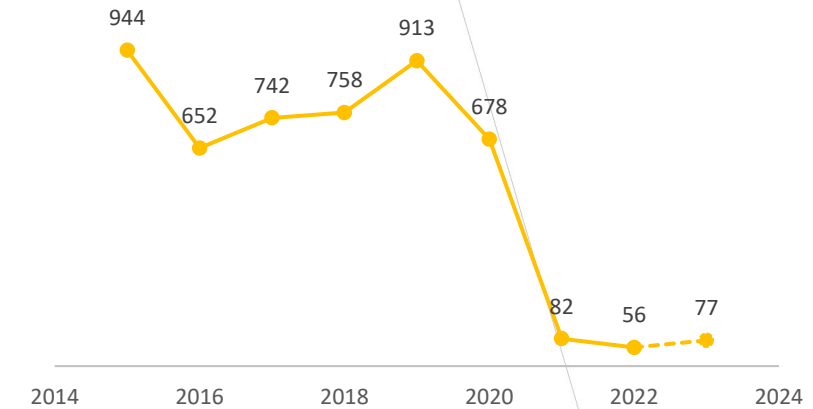
Growing grant approvals and portfolio under implementation

- Increase in number of grants approved : 553 (2021) → 649 (2022) → 731 (as of August 2023)
- Increase in disbursement rate : \$201 M (2021) → \$286M (2022) → \$331M (as of August 2023)



Operational performance: Speed of Disbursement (Days)

Agreement Effectiveness to Disbursement



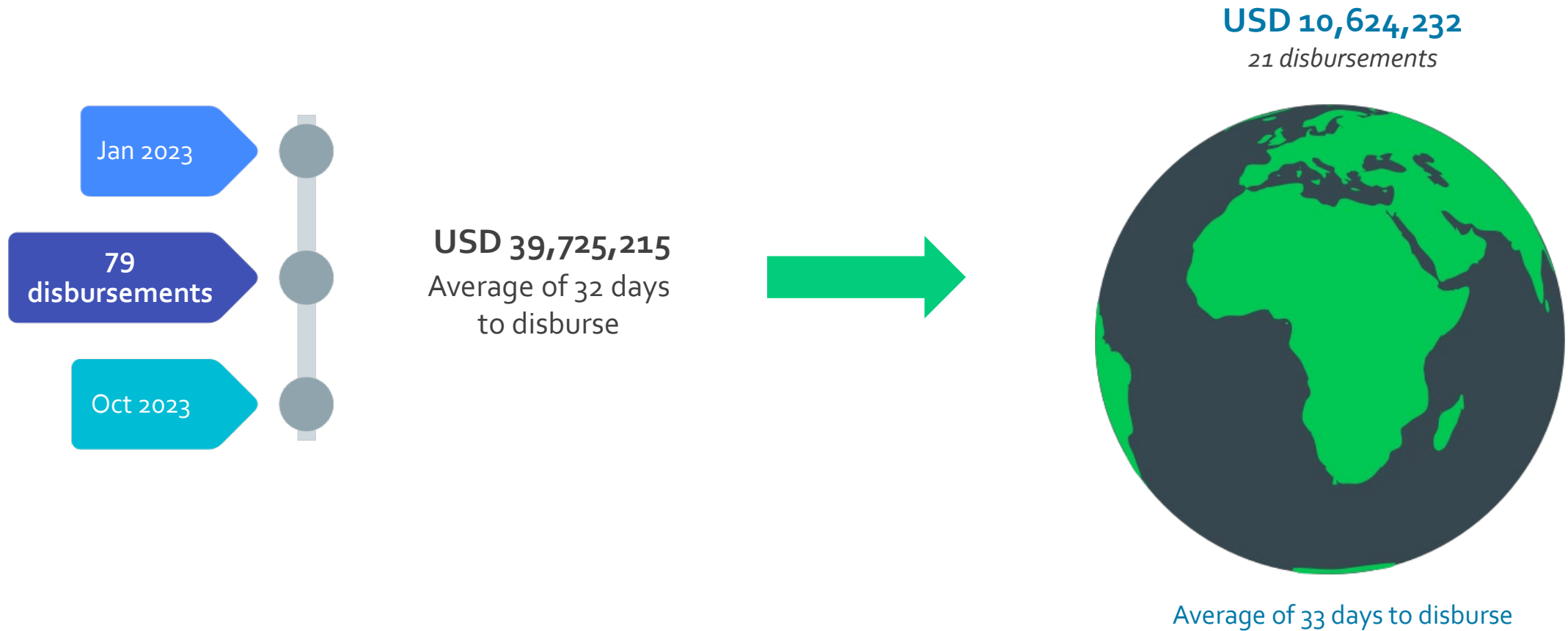
Downward trend

Significant reduction in median days taken from agreement effectiveness to Disbursement

*As of 31st August 2023, 37 Technical Grants Completion Date is under review

- 114 grants completed and 617 grants under implementation
- 104 NAP grants (USD 226M) and 627 Non-NAP grants (USD 302M)
- LAC = Latin America and the Caribbean, For Regional Distribution, DAE grants have been removed

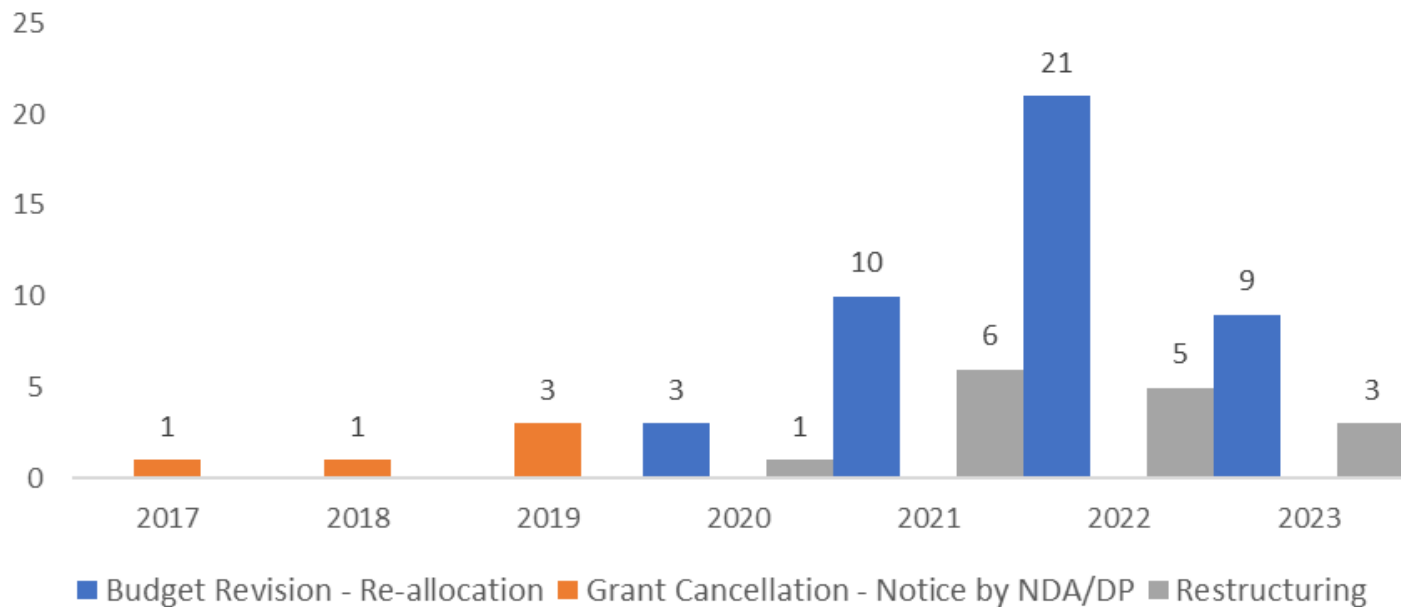
Financial Performance – Disbursements (Africa)



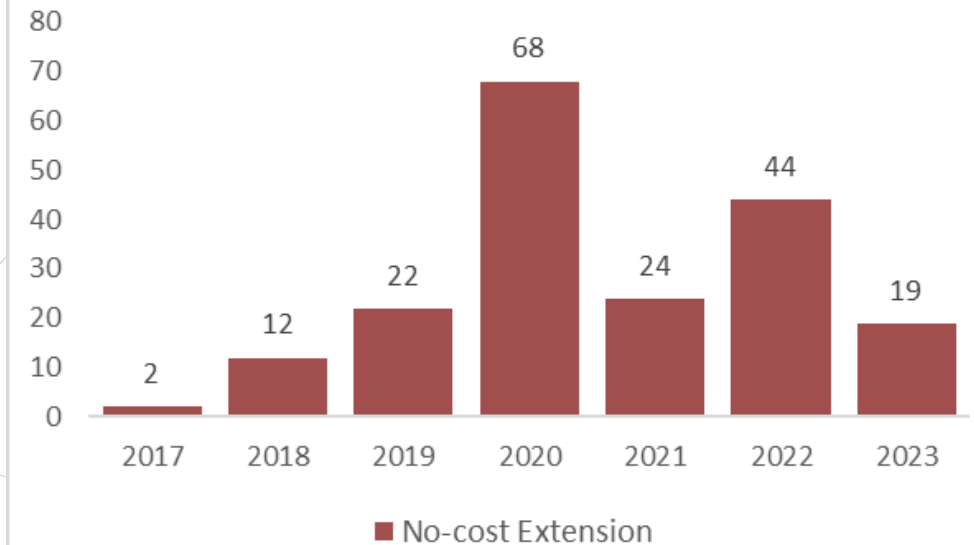
Operational & implementation performance: Readiness (Africa)

Slower project implementation results in grant term extension

Other type of changes Africa Region (2017-2023)



No Cost Extensions Africa Region (2017-2023)



READINESS RESULTS DELIVERY (AFRICA)



RRMF Outputs by Objective (Planned Target vs. Progress Achieved)

1

1. No-objection procedure
(43 grants/27 grants)

2

- 1. Country Programme**
(57 grants / 47 grants)
- 2. Technology Needs Assessments – CTCN grants**
(12 grants / 8 grants)
- 3. MRVS developed for tracking internal and external climate finance flows**
(29 grants / 7 grants)

4

1. Concept Note Development
(72 grants/ 32 grants, 68 CNs developed)

5

1. Knowledge products developed on GCF procedures/ climate change
(23 grants, 11 grants, 11 knowledge products)

READINESS RESULTS DELIVERY



RRMF Outputs by Objective (Planned Target vs. Progress Achieved)



1. Vulnerability Studies
(29 grants/ 23 grants)
2. National Adaptation Plans
(23 grants/ 15 grants)

- Results analysis was based on the assessment of 190 **RPSP AFRICA grants** with reported progress until 31 Oct.2023
- Transition to PPMS-RRMF output-level reporting will support portfolio results aggregation

KEY CHALLENGES

Design

- Setting realistic implementation schedules
- Developing budget plans aligned with market values
- Needs assessments to inform logframe development and avoid duplication of effort among funding sources
- Prior approval from GCF for use of Implementing Partners and submission of FMCA

Implementation

- Start-up delays (i.e. stakeholder engagement, communication, procurement: firms/consultants; selection of network partners)
- Delays in signing PCAs with IPs and bank authentication processes
- Delays in procurement/ quality of bids – relaunch of tenders
- Frequent turnover of project personnel, Gvt. transitions & reforms
- Coordination with the high-level NDA/Focal Point, Government processes
- Change of national priorities/ revision of logframe
- Capacity constraints (NDA/DP/AE)
- Compliance with Reporting requirements and Financial policies & regulations

External Factors

- Availability of qualified experts
- Fragile operating context (e.g in-country conflict)
- Lagging impacts of COVID-19 (e.g. Disruption of supply chains)
- Natural disasters
- Global inflation and devaluation of global currencies against the USD

ADAPTIVE MANAGEMENT - WHAT'S ON OFFER?



ADPATIVE MANAGEMENT OPTION	REQUIREMENTS	TIMEFRAME
1. No-cost Extension	A written request with justification must be submitted using the relevant templates (provided by the Fund), including: <ul style="list-style-type: none">○ A revised project implementation plan○ A revised project budget (if appl.)○ A revised procurement plan (if appl.)	As soon as possible and at least <u>90 days prior to grant expiration</u>
2. Restructuring of logframes and implementation arrangements	The grant recipient must submit an official signed written request by providing a comparison between the original and requested revisions to the outcomes, outputs with corresponding budget modification, together with a justification for the proposed changes	As soon as possible and at least <u>90 days prior to grant expiration</u>

WHAT'S ON OFFER?



ADAPTIVE MANAGEMENT OPTION	REQUIREMENTS	TIMEFRAME
<p>3. Budget Reallocation</p> <p>Possible events triggering the need for a budget revision:</p> <ul style="list-style-type: none">○ Unplanned/unsolicited activities and budget○ Approved budget plan misaligned with market values○ Use of contingency (prior approval)	<p>Any reallocation of approved budget among the cost categories resulting in a variation of more than 20% must seek prior approval from the GCF Secretariat in writing.</p> <p>This method may not be used to increase the project management costs.</p>	<p>As soon as possible and at least <u>90 days prior to grant expiration</u></p>
<p>4. Cancellation</p>	<p>A written request by the NDA and DP must be submitted along with a justification for cancellation of the grant.</p> <p>The GCF will determine the conditions for cancellation including if any refund amount due</p>	<p>As soon as possible</p>

CASE STUDY – ADAPTIVE MANAGEMENT



ZMB-RS-003: National Adaptation Planning for Climate Resilience (NAP₄CR)-Zambia

Approved: 25 June 2020 → **Approved duration:** 42 months (initial)

Proposal Change Request

Adjustment of Procurement Plan: from hiring 12 national consultants to deliver 10 reports on Climate Change Adaption (CCA) options for sectors and geographical areas, to utilization of local expertise i.e. 10 sector leads from within the National Technical Committee on Climate Change (NTCC)

Budget adjustment: of USD 240,100 (i.e. from 'consultant-individual-local' category to 'workshop/training' category) to cover additional 10 validation workshops to validate the national adaptation plan (NAP), develop and organize NAP implementation strategy.

IMPACT

- A). **Capacity building of local experts** (sector leads) were trained in the application of a multi-criteria analysis (MCA) tool developed by a local consultant.
- B). **Cost effectiveness**
- C). **Increased country ownership of the process of identifying CCA options**
- D). **Speed up project implementation and achieve cost-effectiveness**

Good Practices

Timeliness of submission of the proposal change request

Early engagement with NDA to agree on the changes.

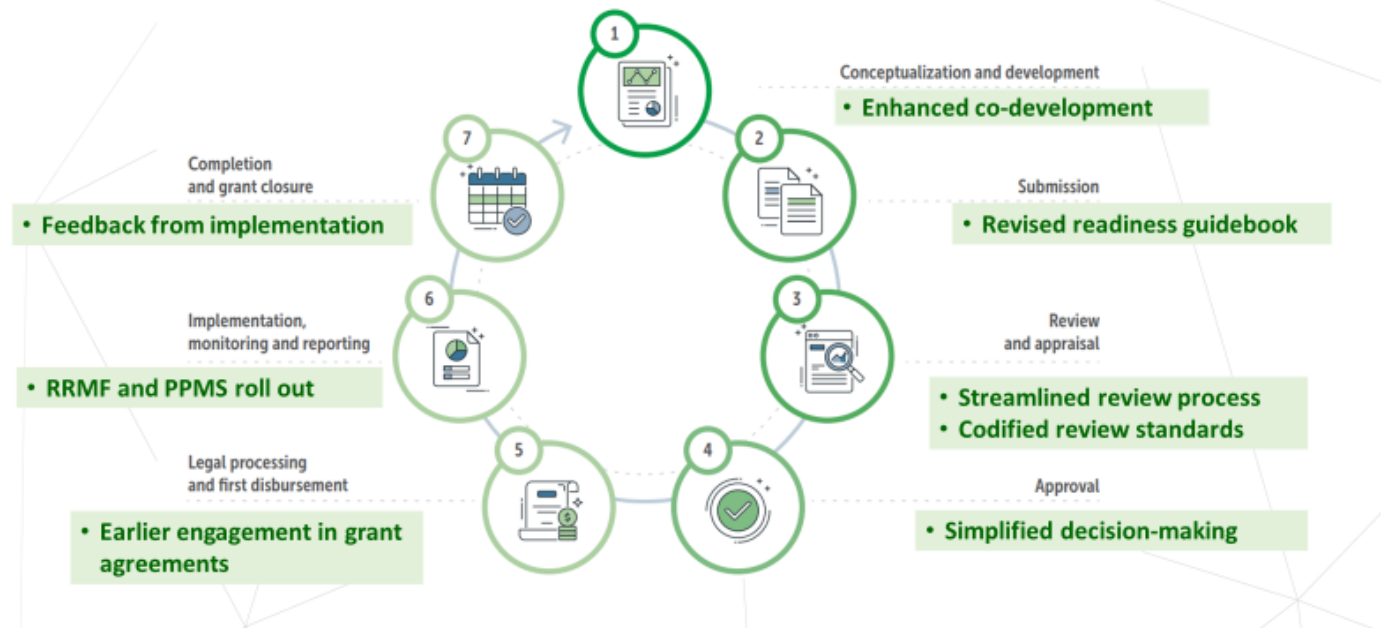
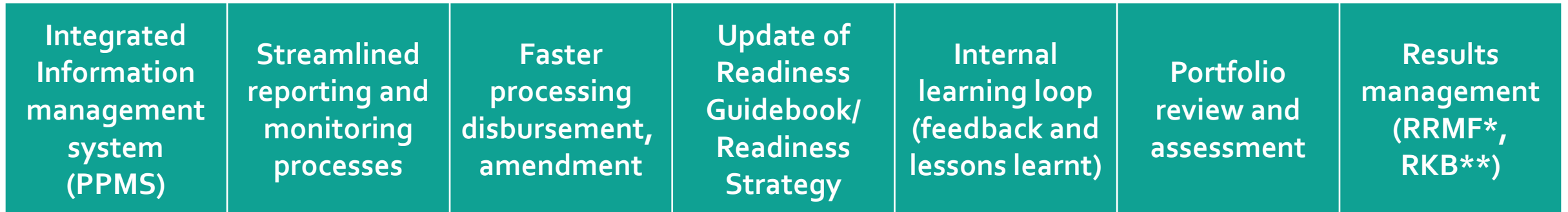
Quality and completeness of the proposal change request

Responsiveness in addressing Fund's feedback in a reasonable timeframe

GCF observations

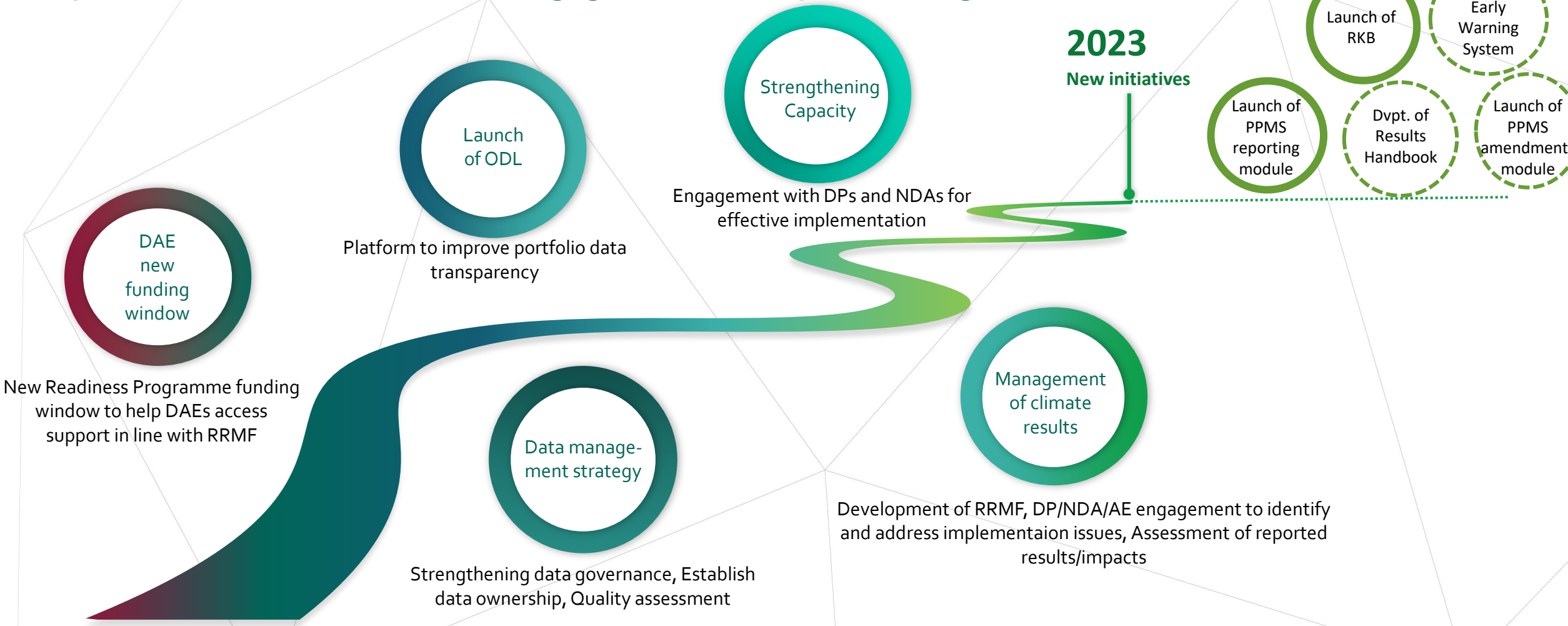
- Increasing **volume** and **frequency** of amendment requests
- Amendment requests should be submitted for **extra-ordinary circumstances** supported by **robust justifications**
- **Delayed submission** of reports and amendment requests beyond grant expiration date, and/or < 90 calendar days prior
- Variance in the **quality** of reports and amendment requests
- Requests for **retroactive approvals** e.g. grant term extension and for unauthorized changes (e.g. budget overruns, use of contingency)
- **Responsiveness** in reconciling issues within a reasonable timeframe (e.g. GCF fee calculation)
- Applying **benchmarks** during proposal design can minimize the issuance of adaptive management requests in implementation for avoidable challenges

GCF'S STRATEGIC RESPONSE



**RRMF = Readiness Results Management Framework,
**RKB = Readiness Knowledge Bank

2022 - 2023 initiatives for Results delivery: Results management, data transparency & systems, Proactive DP/NDA/AE engagement & Adaptive management

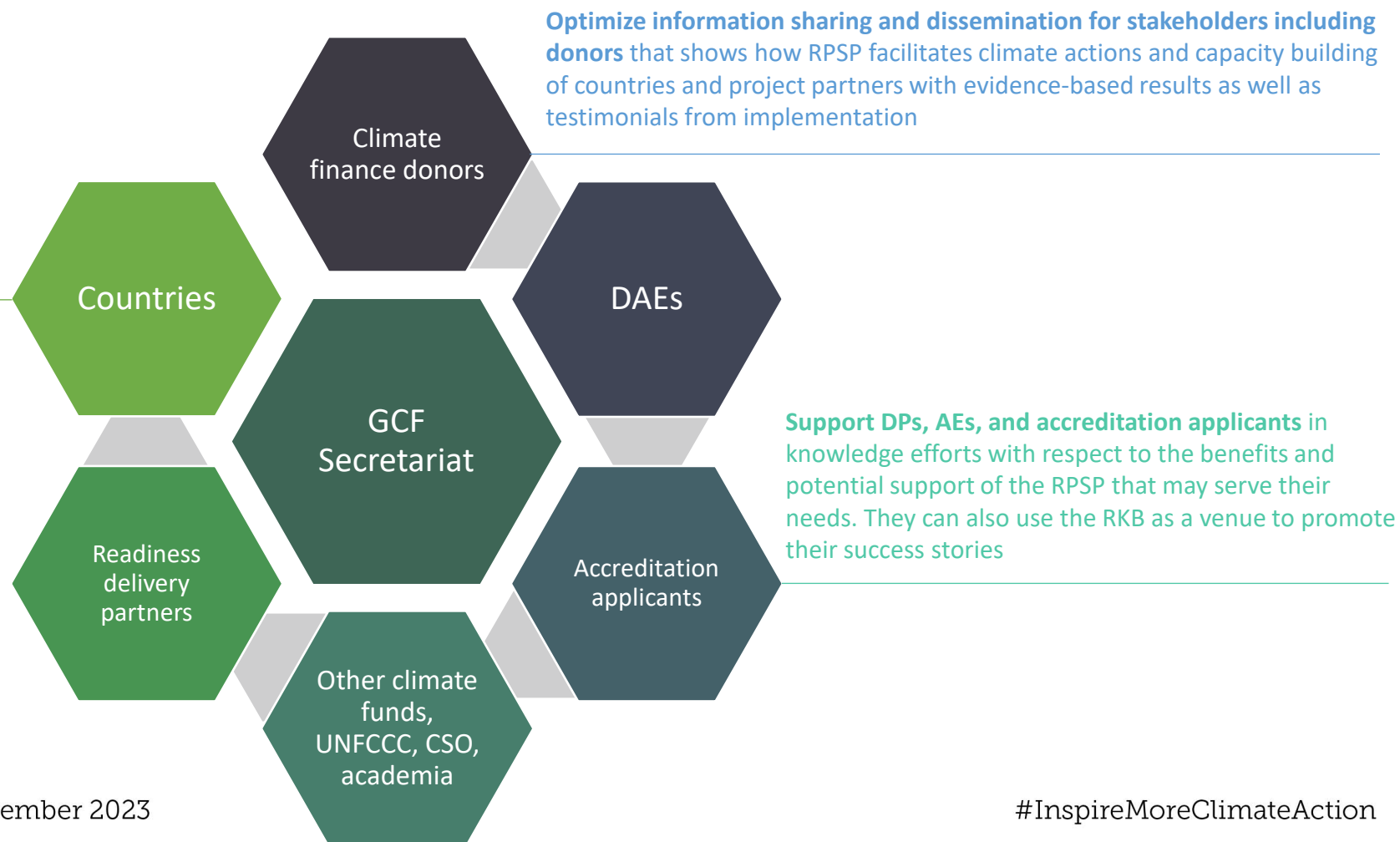


*RKB is a knowledge sharing platform for improved access to knowledge products and resources

GCF READINESS KNOWLEDGE BANK



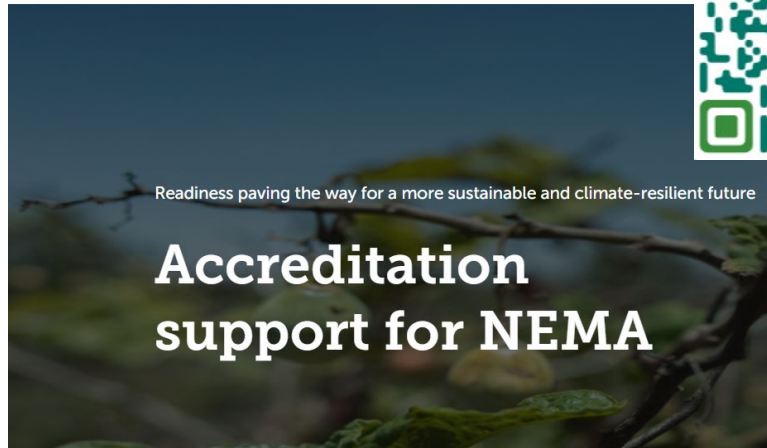
Enable countries to easily access general information about the RPSP and refer to other countries' success stories to improve their countries' readiness programming



READINESS SUCESSSS STORIES

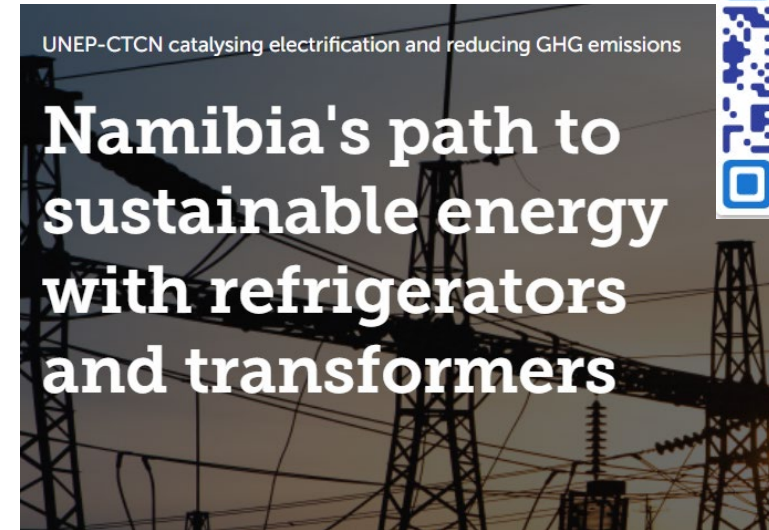
NEMA, Kenya

- Accreditation support
- Institutional capacity building for project design and implementation



UNEP-CTCN

- Energy efficiency projects in 7 countries in Southern Africa



—Lessons Learnt (Readiness)



Greater uptake of guidance provided to DPs during reporting cycles can improve overall quality and efficiency in approval processes



Responsiveness of DPs in addressing technical feedback is critical to avoid project delays



Adaptive management requests should be pursued only for extra-ordinary circumstances and supported by robust justifications



Clear and consistent guidance is needed to improve monitoring and reporting performance



Provision of benchmarks to guide realistic implementation planning and mitigate delays



Effective communication between DPs and NDAs for successful stakeholder management



Close coordination between the DPs and governments to reduce project disruptions during political transitions and other risks

KEY MESSAGES

- In a dynamic operating context, deviations from the original plan are to be expected
- In monitoring implementation, GCF needs to exercise due diligence
- Flexibility during implementation is critical given unique circumstances faced by SIDS, LDCs, African States
- ICT improvements can boost efficiency, transparency and effectiveness in portfolio management
- GCF is a partnership organization and strive to propose workable solutions for implementation performance

Readiness resources

Website:

- <https://www.greenclimate.fund/readiness/resources>

Change Request Template:

- <https://www.greenclimate.fund/document/letter-request-change-approved-readiness-and-preparatory-support-programme-proposal>

Interim Progress Report (IPR)/APR and Completion Report(CR):

- PMMS: GCF Apps Portal (<https://apps.gcfund.org/>)

Audit Terms of Reference:

- <https://www.greenclimate.fund/document/readiness-audit-terms-reference-template>

Audit report Template:

- <https://www.greenclimate.fund/document/readiness-audit-report-template>

Disbursement Template:

- [interim-progress-report-template \(see page 16\)](#)

RRMF Training materials

- [GCF RRMF Training Module 0: Introduction to RRMF Training](#)
- [GCF RRMF Training Module 1: Introducing the RRMF](#)
- [GCF RRMF Training Module 2: Proposal development, monitoring, and reporting](#)

Readiness Guidebook

- [Readiness and Preparatory Support guidebook: A practical guide on how to prepare readiness proposals and how to implement readiness grants | Green Climate Fund](#)

Readiness Knowledge Bank

- [Readiness Knowledge Bank - Home \(greenclimate.fund\)](#)

PPMS Materials

- Reports Submission Video 1: [\[Readiness\] How to submit reports on PPMS - YouTube \(1\)](#)
- Reports Submission Video 2: [\[Readiness\] How to submit reports on PPMS - YouTube \(2\)](#)
- Disbursements: [\[Readiness\] How to submit disbursement requests - YouTube](#)
- YouTube Chanel (Link: [PPMS - YouTube](#))



Thank you

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